

Interim Report for January–September 2025

Strengthened gross margins and improved earnings in a continued weak market environment

Third Quarter

- Net sales amounted to 205.4 MSEK (188,7)
- The adjusted gross margin increased by 1.1% to 37.3% (36.2)
- The adjusted operating profit rose to 6.9 MSEK (4.4)
- The order backlog amounted to 189,4 MSEK (195.7)

Comments from CEO Susanna Hilleskog

Continued stability in the third quarter

The third quarter continued in line with the first half of the year, both in terms of the market situation and the efficiency and transformation efforts within the Group. Order intake decreased compared with the third quarter of 2024, reflecting the continued weak market with postponed customer projects and cautious decision-making on the customer side. The order backlog at the end of the period was slightly lower than at the same time last year. Sales during the quarter increased by a total of 8.9 percent, with strong deliveries from both business areas. The adjusted gross margin increased by 1.1 percentage points to 37.3 percent, and the adjusted operating profit improved by 2.5 MSEK, amounting to 6.9 MSEK for the quarter.

The Library Interiors business area continued to deliver stable performance during the quarter, with increased sales, further strengthened gross margins, and improved earnings compared with the third quarter of the previous year.

The Office Interiors business area continues its efficiency and transformation journey while delivering a stable third quarter, with increased sales, strengthened gross margins, and improved adjusted operating profit, despite slightly higher costs during the quarter related to initiatives and changes. Although we are not yet at the desired level of profitability, we are pleased with the positive progress that the Office Interiors business area has achieved so far this year, driven by the combined efforts of the team.

The action program and transformation journey continue

During the quarter, the Group continued to implement its action program, comprising both ongoing initiatives and analyses of alternative measures and approaches aimed at ensuring the conditions required to achieve the Group's financial objectives. We are pleased to see that our steady improvement in results has continued in the third quarter, despite ongoing challenging market conditions.

Collaboration across company boundaries within the Office Interiors business area is becoming increasingly natural and embedded within the organization. Cooperation across business areas is also generating synergies and creating added value for customers.

Scandinavian Design. Multiplied.

At Lammhults Design Group, we don't just bring brands together – we multiply their strength. Each brand has its own unique voice, but together we create value greater than the sum of the parts. Our internal transformation journey represents a gradual shift towards a more unified and thus stronger Lammhults Design Group in the market – we call this “Scandinavian design. Multiplied.” This concept includes, among other things, a new go-to-market model giving our sales teams access to the entire brand portfolio.

The Norwegian sales team was the first to adopt the new model from January 2025. We are very pleased to see the continued positive development in Norway during the third quarter. Our new sales process is under continuous development, and we are continuously refining, improving, and providing training in line with our operational activities. The insights and experience we gain from Norway are – and will continue to be – valuable in further implementation in other markets, with great respect for the differences between countries, market structures, and ways of working. During the period, the implementation of the new sales process also continued in Sweden.

As part of these efforts, we have strengthened our sales resources in both Norway and Sweden during the period. We have also participated in several fairs and events in Sweden, Norway, and Finland – notably Designers' Saturday in Oslo, which is Norway's major marketing arena for the industry.

Updated showrooms create new opportunities

Throughout the year, we have worked intensively on revitalizing our showrooms in Copenhagen, Oslo, and Stockholm. The aim has been to create inspiration through complete solutions rather than individual products, reflecting our new customer-centric approach while adding digital elements that complement the physical meeting space.

During Designers' Saturday in September, we opened the doors to our updated showroom in Oslo. Customers and stakeholders were welcomed to an inspiring environment where all our brands were showcased in a fresh new way – building on the approach introduced in Copenhagen earlier this year during 3daysofdesign.

In September, we also took the next step in Stockholm by moving into our new showroom at Norrlandsgatan 20 – a strategically located space with strong visibility, designed as an ideal meeting place for creative collaborations focused on design and customer value. We look forward to welcoming all our customers and stakeholders to our new location!

Continued focus on digitalization

Our digital journey continues, aiming to create greater customer value and internal efficiency. During the quarter, Library Interiors implemented a new ERP system, while ongoing digitalization projects within Office Interiors continued to progress.

An organization for the future

We continue to drive initiatives and activities that strengthen our market position, preparing us to meet a recovering market. Our ambition to achieve our financial target of an EBIT margin of 8–10% remains unchanged.

Invitation to Report Presentation

Today at 14:30 CEST, the report will be presented in a live webcast by CEO Susanna Hilleskog and CFO Jesper Langebro for the press and the financial market. The presentation will be held in Swedish. To access the presentation, please use the link below. The webcast includes the opportunity to submit written questions.

<https://lammhults-design-group.events.inderes.com/q3-report-2025>

For further information, please contact:

Susanna Hilleskog, CEO and President, tel. +46 (0) 709 55 13 37
Jesper Langebro, CFO, tel. +46 (0) 708 63 70 30

About Lammhults Design Group

Lammhults Design Group is a Swedish furniture group specializing in interiors for public spaces and office environments. The business is organized into two business areas: Office Interiors and Library Interiors. The Group generates profitable growth through long-term ownership of furniture and interior design companies. Built on customer insight, innovation, design excellence, and sustainability, we bring together some of Scandinavia's leading brands in collaboration with top industry designers. The company is listed on Nasdaq Stockholm Small Cap.

This information is information that Lammhults Design Group AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above at 13:30 CEST on October 29, 2025.